

Exhibit C

CODE OF BUSINESS CONDUCT



The Power of 3:

An intersection of life. The essence of people, planet and power – with a need to strike a balance between the three.

At Arch Coal, we've balanced our strategy on 3 key pillars:

- safety,
- environmental stewardship, and
- financial performance.

Excelling in each of these core values will chart our course and guide our success in the years ahead.



Purpose

This Code of Business Conduct applies to Arch Coal and each of its subsidiaries, which are referred to collectively as "the Company." Although no set of rules can cover all circumstances, it is designed as a guideline to ensure consistency in how employees conduct themselves within the Company and in their dealings outside of the Company. **IT IS NOT A CONTRACT OR GUARANTEE OF EMPLOYMENT AND DOES NOT CREATE ANY CONTRACTUAL RIGHTS.** It also does not fully reflect all Company policies. These guidelines and policies may be varied, and the Company may change them in its sole discretion, without notice.

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Introduction

The Company is committed to doing business ethically and safely and to following all laws that apply to it. This Code of Business Conduct is meant to help us meet this commitment. It applies to everything we do – from the way we serve customers to the way we safeguard our employees and the environment. It defines how we treat each other and our many stakeholders: customers, suppliers, shareholders and members of the communities in which we work. It also gives us a shared set of ethical principles to guide our daily work activities.

As part of your job, you are required to be familiar with and follow the Code, policies and laws that apply to you. Your local management and the Chief Compliance Officer are available to answer questions you might have about laws that apply to your job.

Reporting Violations of this Code

The Company knows that most employees will do their best to follow this Code of Business Conduct. This includes reporting any risks of violation of the law, this Code or Company policy before that risk becomes an actual problem. It also includes speaking up if you believe your coworkers are violating any laws, this Code or Company policies or if you find yourself uncomfortable with a situation. The Company realizes that reporting a concern or problem – especially one involving a co-worker – is not always easy and that there is not always one right answer. Usually, the first place to go with questions or concerns is your supervisor. However, if your supervisor does not answer your question or address your problem – or if the problem involves your supervisor – you may report your concerns to another member of local management or the Company's Chief Compliance Officer, who has primary responsibility for ensuring compliance with this Code. Legal questions, and any questions relating to the meaning or application of this Code or policies, should be directed to the Chief Compliance Officer.

To report a suspected violation of law, policies or this Code to the Chief Compliance Officer, call toll-free 800-238-7398 or mail to: Chief Compliance Officer, Arch Coal, Inc., CityPlace One, St. Louis, MO 63141. You also can report concerns anonymously to the Compliance Hotline, toll-free 866-519-1881, or send an email to compliance@archcoal.com.

Reports will be investigated promptly.

NO DISCIPLINARY OR OTHER RETALIATORY ACTION WILL BE TAKEN AGAINST ANYONE FOR REPORTING A SUSPECTED VIOLATION OF LAW, POLICIES OR THIS CODE.

Any information provided in such a report will be kept confidential to the extent possible and consistent with the need to investigate it.

Any violation of a law, this Code or Company policy can result in disciplinary action, termination or, depending on the violation, civil prosecution or claims for loss or damage reimbursement. Following are some examples of Code violations:

- Failure to report a violation of law, the Code or Company policy;
- Failure to cooperate in a Company investigation of possible violations;
- Retaliation against anyone for reporting a concern or violation;
- Failure to monitor subordinates' Code compliance effectively.

Q: I worry that, if I report something suspicious, I will get in trouble if my suspicion turns out to be wrong.

A: You will not be disciplined for reporting a suspected violation in good faith. However, you could be disciplined for failing to report a suspected violation or for reporting something that you know is false when you report it.

Our Company and Shareholders

Business Integrity

Employees are responsible for the integrity and accuracy of the Company's financial records as well as the proper use of Company funds, property and time.

All financial information must reflect actual transactions and comply with generally accepted accounting principles. The Company maintains a system of internal controls to ensure appropriate approval, recording and accountability of assets. In addition, it is required that:

- Company bank accounts, funds, earnings, expenses and assets are accurately and completely reflected on our books and records;
- Our books and records are accurate and clearly describe and identify the relevant facts or the true nature of the business transaction, asset, liability or

equity and properly and timely classify and record entries in compliance with Company-adopted accounting principles;

- Transactions are executed in accordance with required management authorizations;
- All claims, vouchers, bills and invoices are accurate and proper;
- Company time is used and reported appropriately;
- Company equipment and other property and resources are used to conduct Company business; and
- When internal auditors, legal staff or independent accountants ask employees to respond to requests, responses must be complete and truthful.

Employees may submit concerns regarding questionable financial, accounting, internal controls, information systems or auditing matters, including fraud, as outlined in the Reporting section.

Q: The procedures for opening Company accounts involve several steps. Can I consolidate the authorizations required in order to save time?

A: Key duties and responsibilities need to be divided or segregated among different people to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing and approving the transaction and handling any related assets. No one individual should control all key aspects of a transaction or event.

Proper Use of Computer Resources

Our computer networks and information resources include our electronic mail and messaging systems, the Intranet and use of the following types of external computer-based services when accessed through the Company's system: third-party electronic mail and messaging systems; the Internet; third-party on-line services; and electronic bulletin boards.

We must protect and maintain the security of our information systems, including our computer, email and voice mail systems and comply with all security and protection policies. These policies are available on the Intranet under the "Policies" link on the "Company" page.

Downloading or installing software from unsecured sources can subject our computer systems to threats from computer viruses. Employees may not knowingly

introduce viruses into the network or download or install software from non-virus protected areas.

We respect the rights of others who have created written materials, software and other "intellectual property." Although you may download, print or copy U.S. Government materials or materials that have been dedicated to the public, you should consult with the Legal Department before downloading, printing, copying or distributing any copyright-protected material. Similarly, we only will use computer software to the extent the law and licensing requirements allow it.

Employees should use Company information systems, including email and the Internet, for business purposes and must not use Company e-mail or computers to download, transmit or receive sexually explicit or other offensive material. Because email and voice mail are business communication tools, all such messages should be professional in tone and content. Every outgoing communication contains a Company signature and can be read by millions of people, including our customers and competitors.

All documents, including emails and other electronic records on Company-owned computers, are the Company's property and, as such, are reviewed from time to time. If the Company discovers possible evidence of illegal activity or activity that violates Company policies, the Company may take appropriate disciplinary action, up to and including discharge and disclosure of evidence to law enforcement officers or other third parties. Also, we may be required to turn over computers and any information on them in response to a subpoena or document request.

Records Retention

The space available for the storage of Company documents, both on paper and electronic, is limited and expensive. Therefore, periodic destruction of documents is necessary. On the other hand, there are legal requirements that certain records be retained for specific periods of time.

Before disposing of any documents, employees should determine whether the Company's Records Creation, Retention & Destruction Policy ("Records Management Policy") requires them to be retained. Employees who are unsure about the need to keep particular documents should consult with their supervisor.

Note that emails are considered documents, and, if they fall within the Company's Records Management Policy, they need to be kept (and timely destroyed) just like any

other document. This applies to all electronic documents, such as those prepared or kept in Word, Word Perfect or Adobe PDF formats.

If it becomes clear that documents will be required for a pending or potential lawsuit or government investigation, all relevant documents must be preserved, including emails and other electronic documents, and ordinary disposal or alteration of documents relating to the pending or potential litigation or investigation should be suspended immediately – even if they otherwise would be destroyed under the Records Management Policy. If anyone is uncertain about whether documents under their control should be preserved because they might relate to a lawsuit or investigation, they should contact the Legal Department.

Q: Since our computer system automatically deletes emails after a set number of days, and I receive hundreds of emails a day, do I need to save emails that fall under the Records Management Policy?

A: You must be familiar with our Records Management Policy, which can be found on the Intranet Portal through the “Records Retention” link on the “Company” page. If an email falls within any category of documents that the Records Management Policy requires to be retained – or if it relates to a pending or potential lawsuit or government investigation – you must save it in a personal email folder before it is purged automatically from the system.

Proprietary Information and Business Opportunities

In addition to our products and services, we produce ideas, concepts and other information that are important assets of the Company. The law allows us to protect these valuable assets.

Examples of confidential and proprietary information include:

- Marketing plans;
- Sales and marketing data;
- Pricing or cost information;
- Mine plans;
- Geologic and other technical information;
- Lease and real property records;
- Customer and supplier information;
- Employee records;

- Negotiations;
- Business strategies (including plans for the purchase or sale of properties); and
- Records relating to systems, methods, programs, plans and processes.

This list does not include every kind of information that is confidential or proprietary, however; and you should consider any Company information that is not publicly available to be confidential and proprietary.

You must not use any proprietary information, except as required by your job, or disclose it to any unauthorized person or company. In addition, you must not copy or remove any proprietary information from Company property except as your job requires. You are required to protect all confidential and proprietary information so that unauthorized people do not have access to it.

When your employment with the Company ends, or if the Company requests it, you must turn over all Company records, materials, models, software programs and the like relating to or containing any proprietary information.

All inventions or discoveries that you make or create during your employment are the Company's property. You must disclose promptly all information regarding those inventions and discoveries, and you may not file any patent applications relating to them without the Company's prior written consent. You may be required to sign documents and perform other acts that the Company considers necessary to obtain patents on any inventions or discoveries and to assign those inventions or discoveries to the Company or others it identifies.

In addition, you must not use for personal benefit any information about the Company's business opportunities that you gain during your employment. One example of prohibited use of information is the purchase or lease of property interests in an area after you have learned that the Company holds mining interests there or may have an interest in acquiring those properties. If you have a question about whether an opportunity is a business opportunity, please ask your supervisor.

Q: If I take a job with another Company, may I use information about our processes and procedures that I remember?

A: No. You are required to keep the Company's proprietary and confidential information confidential – even after your employment ends.

Conflicts Of Interest

Employees must act lawfully and in the Company's best interests. Conflicts of interest arise when we put our personal, social, financial or political interests before the Company's interests. Even the appearance of a conflict can damage your reputation as well as the Company's.

Employees are expected to avoid activities that might interfere with their duties or hurt the Company. Taking part in any outside business that does business with or competes with the Company is prohibited.

While it is not possible to identify all actions that may create a conflict of interest, examples of conflicts include holding a financial interest or position in an organization that does business with or is a competitor of the Company (other than nominal amounts of stock in publicly-traded companies). Similarly, a conflict of interest may arise if your close relative or other person with whom you have a close personal relationship engages in such activities.

Any actual or potential conflict of interest must be disclosed to your supervisor. Many conflicts can be resolved in a simple, mutually acceptable way. If your supervisor believes an actual or potential conflict exists, s/he must report it to the manager responsible for the business unit affected by the conflict (for example, your employer's purchasing department) or, if this can't be determined, to the next most senior supervisor, who will determine whether a conflict exists. In the event of a conflict, appropriate safeguards must be established and documented (by noting the conflict and safeguards) in the employee and, if applicable, vendor files.

Q: I am in the Purchasing Department, and my cousin is a distributor for one of our vendors. What should I do?

A: Report your conflict to your supervisor. If there is a conflict, s/he may excuse you from purchasing decisions relating to that vendor.

Insider Trading

It is illegal to buy, sell or recommend trading in any company's – including Arch's – stock or to pass along information to those who may trade in that stock, if you have knowledge of "material nonpublic information" about that company.

"Material nonpublic information" is information that is not available to the public that could affect the price of a stock and that an investor would consider important in deciding whether to buy, sell or keep that stock. Some examples of material nonpublic information include: internal or other non-public forecasts of revenue or income; merger or acquisition discussions; signing an important new contract or losing an important existing one; a planned securities offering; purchase or sale of substantial coal reserve quantities; details of important litigation; or a planned change in top management. This list is not exhaustive.

If you are aware of material nonpublic information about the Company – or about another company that you gained through your relationship with the Company – you must keep it confidential, and you may not:

- Buy the Company's or the third party's securities (except that routine salary deferral elections to purchase Common Stock in the Company's Thrift Plan and dividend reinvestment purchases of Common Stock in the Company's Dividend Reinvestment Plan are permitted);
- Sell the Company's or the third party's securities (including Company stock you have acquired through the exercise of options); or
- Recommend or cause others (including family members or friends) to buy or sell the Company's or the third party's securities.

Communicating material nonpublic information to *anyone* outside the Company is prohibited.

You could be fined or even go to jail for engaging in the above conduct.

In addition, the Company believes that the purchase of Company stock should be for investment purposes. As such, trading in or writing "puts" and "calls" and engaging in

“short sales” or “margining” is prohibited. Certain officers of the Company have further restrictions on the purchase and sale of Company stock.

These prohibitions apply to your family and anyone else who lives with you or whom you support.

If you are asked to engage in any conduct that is prohibited or may appear to be prohibited above, you should immediately disclose the circumstances to the Chief Compliance Officer.

Q: If I hear that the Company is about to acquire another company, may I buy stock in that company or in our Company before the deal is announced?

A: No. As an employee, you likely will be considered an “insider” under securities laws and, therefore, cannot buy, sell or advise anyone else to buy or sell our stock or that of the other company until this information becomes public.

The Marketplace

The Company considers its reputation for fairness and integrity to be one of its most valuable assets. The Company wants to have stable and profitable relationships – based on fairness and integrity – with its employees, customers, suppliers and others with whom it does business. Employees are expected to use good judgment in all dealings with others and must conduct their business affairs in a way to ensure our unquestionable integrity.

Antitrust Laws

The federal government and most state governments have enacted antitrust laws. These laws prohibit certain conduct involving competitors, customers and/or suppliers that reduces competition or unreasonably restrains trade. The purpose of these laws is to make sure that markets for goods and services operate competitively and efficiently – so that customers enjoy the benefit of open competition among their suppliers and that sellers actively compete for buyers. The Company will comply in all respects with both the letter and spirit of the antitrust laws. To that end, employees should not participate in any discussion or activity that would lessen competition or artificially set prices independent of the market.

A significant danger for violating antitrust laws rests in contacts and communications

with competitors, including at trade association meetings or in non-work settings. Prohibited discussions and understandings with competitors include (among other things):

- Those relating to the prices we or they will charge (or understandings about price-related terms) or the territories or markets in which we or they will sell; or
- Those that propose to restrict coal output or the boycotting of parties to whom our coal will be sold or that restrict supplier relationships.

There are other situations not addressed here that also should be avoided because they restrict competition. Employees should understand the basic requirements of competition laws that apply to their business activities.

In addition, employees must review with the Chief Compliance Officer any proposed discussions or activities that:

- Result in the disclosure or exchange of pricing or other sensitive or proprietary information to competitors;
- Require suppliers to buy from us before we will buy from them;
- Require customers to sell to us before we will sell to them;
- Restrict customers' choices in using or reselling the coal we sell them; or
- Restrict any party's freedom to do business with or provide any product or service to any other party.

If you are asked to engage in any conduct that is prohibited or may appear to be prohibited above, you should immediately disclose the circumstances to your supervisor and the Chief Compliance Officer.

Q: One of our competitors asked me to let his company bid a lower price to a customer in exchange for our bidding the lower price on the next request for a proposal. Can I do this?
A: No. You should never discuss pricing plans with a competitor. If a competitor ever begins a discussion about pricing or pricing plans with you, even if they are his company's plans or the plans of a third-party competitor, you should walk away and report this immediately to the Chief Compliance Officer.

Q: I was at a trade association meeting when one of our competitors started talking about a new discount that another competitor was offering its customers. I didn't participate in the discussion, but I stayed to hear what he had to say. Was this O.K.?

A: No. Even being present during a discussion about pricing (or other prohibited topics) is prohibited. When any discussion like this begins, voice your objection to the discussion so that everyone can hear, and, if it does not immediately stop, walk away and promptly report this to the Chief Compliance Officer.

Marketing Integrity

We will never misrepresent or purposely omit material facts relating to the sale of coal or billings to customers. We all should deal fairly with the Company's customers, suppliers and competitors and should avoid practices such as:

- Defaming or lying about a competitor's business or products;
- Causing a customer or supplier to break a contract with a competitor;
- Making false statements; and
- Obtaining information about our competitors by inappropriate means.

Similarly, we will not pay or receive kickbacks for obtaining business for or from the Company. This means giving money or gifts to others in exchange for their promise to influence their companies to buy coal from us. It also means accepting money or gifts from others in exchange for promises to send the Company's business their way.

If you are asked to engage in any conduct that is prohibited or may appear to be prohibited above, you should immediately disclose the circumstances to your supervisor and the Chief Compliance Officer.

Q: I have just joined the Company as a new employee, and my previous employer is one of the Company's biggest competitors. May I share some important marketing information I developed while at my former employer?

A: No. It is not ethical or a good business practice to share confidential information with your new employer. You are obligated to protect your past employer's confidential information just as the Company's employees are obligated to protect our confidential information should they leave the Company.

Gifts and Entertainment

Normal business entertainment and related expenses incurred within Company guidelines and for the benefit of customers and potential customers are customary in our industry. However, you must not pay or receive money, gifts, services, loans or other favors that may influence your business decisions or compromise your independent judgment. Giving or receiving gifts of money or securities on behalf of the Company is prohibited.

The acceptance of meals or attendance at a local social event (e.g., cocktail party, golf outing or charity fundraiser) that a vendor or other business-related third party pays for should be approved by your direct supervisor or General Manager before the event.

The acceptance of any of the following requires the written (via email) pre-approval of the appropriate Senior Officer through which the person reports:

1. Transportation provided by a vendor or other business-related third party.
2. Overnight accommodations provided by a vendor or other business-related third party.
3. Acceptance of tickets to sporting/entertainment events when the face value of a single ticket exceeds \$100.
4. Any gift with a fair market value that exceeds \$100.

Following approval, it is the responsibility of the consenting Senior Officer to forward the email approval to the Director of Materials Management.

The solicitation of vendors for any gifts or assistance with transportation or overnight accommodations also requires the written pre-approval of a Senior Officer. If approved, the Senior Officer should forward a copy of the email approval to the Director of Materials Management.

No gift or gratuity should be accepted if it has the potential to compromise your business judgment.

In addition, federal and state bribery laws limit the ability to give gifts to and pay or arrange for travel for government employees, including politicians, such as members of Congress, and their staff as well as political appointees and those running for office. Except when the legal department has advised you that nominal gifts, meals or sponsored travel are appropriate for a certain category of government employee, no Company funds, gifts or assets of any kind or amount will be paid directly or indirectly to any government official, candidate or employee, to any business that such official, candidate or employee owns or

controls or to their relatives. Employees should not try to get around this prohibition by using their own funds, gifts or assets, since these can be attributed to the Company.

Offering gifts, gratuities (cash, gifts in kind, entertainment, travel, donations etc.), bribes or quid pro quos to induce foreign officials - including but not limited to political parties, party officials, candidates and organizations to which the U.S. grants diplomatic immunity – to misuse their official position in order to benefit you or the Company is strictly prohibited. Payments to foreign officials should not be made without the Legal Department's express written approval.

If you are asked to engage in any conduct that is prohibited or may appear to be prohibited above, you should immediately disclose the circumstances to your supervisor and the Chief Compliance Officer.

Employees

Fair Treatment

The Company recognizes that its greatest competitive strength lies in the talent and ability of its employees. Employees are expected to hold themselves accountable to the highest professional standards, with mutual respect being the basis of all professional relationships.

The Company is specifically committed to the goal of equality of opportunity in employment. To further this goal, we will:

- Provide equal opportunity for employment and advancement on the basis of ability and aptitude without regard to race, color, religion, sex, national origin, age, disability or veteran status; and
- Recognize and compensate employees based on their performance and take affirmative action with respect to all employment practices affecting minorities, females, veterans and individuals with disabilities.

We also will provide benefits without regard to race, color, religion, sex, national origin, age, disability or veteran status.

All employees deserve to be treated fairly and with respect. Employees must avoid jokes, actions or statements about individuals or groups that may be interpreted as discriminatory or harassing, that make people uncomfortable or that stereotype any group of individuals – especially those that relate to race, color, religion, sex, national origin, age,

disability or veteran status. All such conduct, whether it occurs at work or at outside activities, is strictly prohibited. Supervisors and managers have a special responsibility to consistently follow and apply the Company's policies regarding fair treatment and to ensure that their subordinates treat each other with respect. All employees are prohibited from engaging in any conduct that creates an intimidating, hostile or offensive work environment.

If you believe you or anyone else has been treated unfairly or disrespectfully because of your race, color, religion, sex, national origin, age, disability or veteran status, you should advise your Human Resources Manager, another member of local management or the Chief Compliance Officer.

Q: I think my supervisor didn't promote me because of my age. What should I do?

A: If you believe that you or another employee is discriminated against for age or any other reason that is protected by law (race, color, religion, sex, national origin, disability or veteran status), you should immediately discuss this with your Human Resources Manager, another member of local management or the Chief Compliance Officer.

Q: A colleague of mine is upset that a coworker is telling off-color jokes, but she is afraid to speak up. What should I do?

A: Your colleague should tell her coworker that these jokes offend her and ask them to stop. If she is afraid to do this, or if the jokes continue, she should report this to her Human Resources Manager, another member of local management or the Chief Compliance Officer. If your coworker doesn't take action, then you should report what your colleague has told you – even if you don't have all the facts or haven't observed this yourself. It is important to stop offensive and improper behavior before it becomes severe or pervasive. Failure to report actual or suspected harassment violates this Code and may make it difficult for the Company to take effective corrective action.

Health and Safety

The Company has established and remains committed to maintaining health and safety programs to protect and prevent illness or injury to employees and others who are on our property. These programs, including our annual training programs, are structured to comply with and exceed applicable laws and regulations. They show the Company's

commitment to maintain its reputation as an industry leader in health and safety. This commitment includes our commitment to:

- Show continuous improvement in meeting our goals;
- Recognize and reduce or eliminate unacceptable risk to employees' health and safety;
- Learn what safety responsibilities apply to our jobs and how to follow them without fail;
- Take immediate steps to correct any safety equipment that is not working properly;
- Use appropriate personal protective equipment; and
- Never bypass an established safety practice or procedure or disconnect or disable any monitoring or safety equipment.

Of course, this list is not exhaustive.

Safety is everyone's responsibility, and employees are expected to support the Company's commitment to health and safety by working in compliance with both the letter and the spirit of health and safety laws, this Code and Company policies. You have an individual responsibility for safety and should report any health or safety concerns to your supervisor, Safety Manager or the Chief Compliance Officer.

Q: Someone told me to disable a safety device that slows down production. What should I do?

A: Employees should never bypass, disconnect or disable any safety device or monitoring equipment. Doing so may violate the law or expose you or others to accident or injury. Safety is an absolute commitment that should not be compromised for any reason.

Security Procedures

The Company is committed to providing a secure workplace. Any violence, threat of violence, intimidation, harassment or similar conduct directed toward any employee or other individual in the workplace is strictly prohibited and will not be tolerated.

The Company also prohibits the possession of guns or any other weapons while in Company facilities or when engaged in Company business.

Employees and other persons on Company premises may be subject to inspection of their personal property (including, but not limited to, briefcases, purses, packages and bags), computers, desks, lockers and company vehicles.

Substance Abuse

Our work requires clear thinking and the ability to react quickly. Being under the influence of drugs and alcohol or improperly using medication results in poor job performance and can compromise our and our coworkers' safety and well being.

We will not use, sell, purchase or possess any illegal drug; and we will not abuse alcohol or legal or prescribed drugs when on Company premises or conducting Company business.

Q: I think my coworker came to work drunk. What should I do?

A: You are required to report your suspicion to your Human Resources Manager, another member of local management or the Chief Compliance officer. We have a strict policy regarding the use of illegal drugs and abuse of alcohol and other controlled substances that affect the workplace. By reporting your suspicions now, you keep our work environment safe for yourself and others. (Note that, while reporting to work under the influence of alcohol or drugs may result in immediate termination, the Company provides treatment and support for employees who seek assistance with substance abuse problems before being selected for drug or alcohol testing, whether randomly, post-accident or for reasonable suspicion. These programs are provided through our Employee Assistance Program or EAP. For details about this Program, contact the EAP directly or ask your Human Resources department.)

Relations with the Public

The Environment

The Company has a long-standing commitment to be a good corporate citizen in the communities in which it operates. It is committed to protecting the environment in its operating communities. Its programs are structured to comply with and exceed applicable laws and regulations. These programs demonstrate the Company's commitment to maintain its reputation as an industry leader in mine reclamation and environmental stewardship.

Employees are expected to support the Company's commitment to the environment by operating in full compliance with both the letter and the spirit of environmental laws and Company policies and by actively encouraging care and regard for the environment.

We will continue to develop environmental management programs that meet or exceed the highest standards of compliance. From proper waste handling procedures to stewardship of the land and water resources under our care, we will strive to set the benchmark for environmental performance in the coal industry. In this regard, it is our policy to:

- Show continuous improvement in meeting our goals;
- Regularly evaluate the generation of waste materials and implement pollution prevention programs that minimize waste and ensure against the release of hazardous substances into the environment;
- Learn what environmental responsibilities apply to our jobs and how to follow them without fail;
- Take immediate steps to correct any malfunctioning of waste monitoring, control or treatment equipment; and
- Never dispose of waste unless we know the disposal is in compliance with regulations and our environmental standards.

Of course, this list is not all-inclusive.

Reports of any actual or potential environmental problems, violations of laws or policies or any questions about employees' responsibilities or Company policies should be directed to your supervisor or the Chief Compliance Officer.

Political Activity and Contributions

The Company encourages political activity and employees' participation in politics where appropriate.

However, unless you engage in lobbying activities in connection with your job, such activity must occur strictly in an individual and private capacity and not on the Company's behalf without its prior request or approval. Employees may not conduct personal political activity on Company time or use Company property or equipment for this purpose; and no employee may ever force, direct or in any way require another employee to make a political contribution.

Employees can contribute to the Company's political action committee but any contribution must be voluntary. Participation or nonparticipation will have no effect on an employee's employment, promotion or compensation.

We will not allow any direct or indirect contributions to political candidates, office holders or any political parties to be made on the Company's behalf unless the contribution is legal and the Company's Chief Compliance Officer authorizes it. Political contributions can include, among other things: buying tickets to political events, providing Company goods or services, loaning Company personnel during working hours or payment for advertisements and other campaign expenses. The Company will not reimburse political contributions, and they should never be submitted on an expense report.

In addition, the Company will be required to identify and report contributions (including amounts, dates, payees and - if applicable - honorees) as follows: 1) contributions with an aggregate value of \$200 or more to federal candidates or officeholders, leadership PACs or political party committees; 2) contributions to help fund event costs if any "covered officials" (meaning members of Congress or Executive Branch officials or their staff and political appointees but not career federal employees) receive a special award, honor or recognition; 3) payments to an entity named for or in recognition of a covered official; 4) payments to an entity that a covered official establishes, finances, maintains or controls; 5) payments for events held by or in a covered official's name, but not honorary co-hosts; 6) payments to presidential library foundations or inaugural committees. Because of this requirement, when requesting corporate contributions, all employees must identify those that fall within the above categories and must preserve materials relating to the contribution in accordance with the Records Management Policy.

Also, if you engage in any federal lobbying activities on the Company's behalf, you must disclose this to the Legal Department so that it can include your efforts in disclosure reports it is required to file.

Federal lobbying activities include contacting "covered officials" regarding the modification or adoption of federal legislation, executive orders, agency rules and regulations or the administration or execution of a federal program or policy, including the negotiation, award or administration (excluding ministerial tasks) of a grant, loan, permit or license. Any activities in furtherance or support of lobbying contacts (for example, background work, research preparation and strategizing or coordination done in connection

with a lobbying contact) and any work prepared for the purpose of supporting pending or potential legislation also constitutes lobbying activity.

Q: I volunteer for a local candidate for the U.S. Senate. May I use the copy machine to make fliers?

A: No. You may not use Company time or resources to support political activities.

Q: One of the Company's lobbyists asked me to provide information to use in his discussions with federal governmental officials about a proposed federal law. Is that considered lobbying?

A: Gathering information for the Company's lobbyists regarding proposed laws or policies may be considered activities in support of lobbying, so you must discuss this with the Legal Department so that it can determine if it should include your efforts in the disclosure reports it files.

Third-Party Inquiries

If you get calls from the press, investment analysts, stockbrokers or shareholders looking for information about the Company, you should politely decline to comment, and direct the call to the Company's Vice President of Investor and Public Relations, toll-free 800-238-7398.



NOT SURE WHOM TO CALL ABOUT A POSSIBLE CODE VIOLATION?

To report a concern to Arch Coal's Chief Compliance Officer:

- call toll-free 800-238-7398
- mail to: Chief Compliance Officer
Arch Coal, Inc.
CityPlace One
St. Louis, MO 63141
- call the Compliance Hotline, toll-free 866-519-1881
- or email compliance@archcoal.com.